

FISCAL NOTE

SB 1785 - HB 1444

March 25, 2007

SUMMARY OF BILL: Requires any person working with food in the “food-to-fork” continuum to have medical certification that they are free of any communicable disease potentially transmittable by food prior to employment and at least annually.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$7,077,600 Recurring
\$244,000 One-Time**

Increase State Revenues - \$7,500

Increase Local Govt. Expenditures - \$3,520,500

Increase Local Govt. Revenues - \$3,520,500

Assumptions:

- The Department of Health will incur an increase in inspections due to the inclusion of persons who deliver food, are hired to prepare food in private homes, and additional personnel in buildings where food is stored.
- The Department would increase the number of food service establishment staff by hiring 57 Environment Health staff which is estimated to increase recurring state expenditures by \$3,297,900 which includes salary and benefits (\$2,773,500), travel (\$171,000), communications (\$79,800), supplies (\$39,900), and rentals and insurance (\$233,700). There will be an increase in one-time state expenditures of \$222,300 for office set-up and supplies.
- The Department will also hire three Epidemiologists to monitor and respond to the positive stool and serology tests. Such is estimated to increase recurring state expenditures by \$240,800 which includes salary and benefits (\$213,200), travel (\$9,000), supplies (\$2,100), communication and technology support (\$4,200) and rentals and insurance (\$12,300). There will be an increase in one-time state expenditures of \$11,700 for office set-up and supplies.
- It is estimated that the local governments will need similar positions to provide the needed services. Davidson, Hamilton, Knox, Madison, Shelby and Sullivan counties will need FTE Medical Epidemiology

positions. Such is estimated to increase local government expenditures of \$3,520,500.

- The Department of Health has a contractual agreement with these local governments to provide the funds for services. Such will result in an increase in state expenditures of \$3,520,500 and an increase in local government revenues of \$3,520,500.
- The Department of Labor and Workforce Development estimates that there will be an additional hour of inspection time (\$25 per hour) and two hours of administrative time (\$18.75 per hour) on the 100 workplace inspections conducted annually. Such will increase expenditures by \$6,250.
- The Department also estimates that there will be 20 complaints filed and investigated annually which will result in 15 hours of inspection time (\$25 per hour) and three hours of administrative time (\$18.75 per hour). Such will increase expenditures by \$8,625.
- Of the citations that will be issued, it is estimated that 10 will be contested by the employer which will result in 10 hours of attorney time (\$35 per hour) to prepare and defend the citation. Such will increase expenditures by \$3,500.
- The Department will incur one-time expenditures of \$10,000 which includes printing literature and educating employers (\$5,000) and training and educating inspection staff (\$5,000).
- It is estimated that there will be 25 citations issued which will require the payment of a \$300 penalty which will result in an increase in state revenues of \$7,500.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible.

James W. White, Executive Director